

United States Senate
WASHINGTON, DC 20510

July 28, 2023

VIA ELECTRONIC TRANSMISSION

The Honorable Jennifer Granholm
Secretary
Department of Energy

Dear Secretary Granholm:

Under the Energy Policy and Conservation Act (the Act), the Energy Department (DOE) is authorized to regulate the energy efficiency of a number of products.¹ However, according to the Act, any standard prescribed “shall be designed to achieve the maximum improvement in energy efficiency, or...water efficiency,” and must be “technologically feasible and economically justified.”² Further, the Secretary may not prescribe a standard unless it will “result in a significant conservation” of energy or water.³

Since the beginning of 2023, the DOE has proposed or finalized several regulations restricting the kinds of home appliances that Americans can purchase. For example, in February 2023, the DOE proposed a rule to regulate the kinds of gas and electric stoves Americans can purchase.⁴ The DOE claims the new efficiency standards “would save U.S. consumers \$1.7 billion”⁵ and reduce emissions by 21 million metric tons of carbon dioxide.⁶ However, Matthew Ager, Chief Regulatory Counsel at the American Gas Association explained during a House Committee on Oversight and Accountability hearing that this regulation will limit access to gas appliances.⁷ He further stated that this would “increase cost for customers, including seniors and low-income customers.”⁸

¹ 42 U.S.C. 6291-6317.

² 42 U.S.C. 6295(o)(2)(A).

³ 42 U.S.C. 6295(o)(3)(B).

⁴ Zoe Richards, *Gas Stove Debate Reignites as Energy Department Proposes New Standards*, NBC NEWS, (Feb. 1, 2023), <https://www.nbcnews.com/politics/politics-news/gas-stove-debate-reignites-energy-department-proposes-new-rules-rcna68728>.

⁵ *Addressing Misinformation on DOE Appliance Standards*, DEPARTMENT OF ENERGY, (May 5, 2023), <https://www.energy.gov/articles/addressing-misinformation-doe-appliance-standards>.

⁶ Energy Conservation Program: Energy Conservation Standards for Consumer Convention Cooking Products, 88 Fed. Reg. 6818 (proposed Feb. 1, 2023) (to be codified at 10 C.F.R. pt. 429 and 430).

⁷ *Hearing Wrap Up: Department of Energy's Proposed Rule Regulates Gas Stoves Out of Existence, Further Strangles U.S. Consumer Choice*, COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY, (May 24, 2023), <https://oversight.house.gov/release/hearing-wrap-up-department-of-energys-proposed-rule-regulates-gas-stoves-out-of-existence-further-strangles-u-s-consumer-choice/>.

⁸ *Id.*

Then, in March, the DOE finalized rules on efficiency standards for new air conditioners and window air conditioners.⁹ According to the DOE, this will save the American people “\$816 million per year in energy costs and decrease harmful carbon dioxide emissions by 48.5 million metric tons over 30 years.”¹⁰ Meanwhile, a spokesperson for the Association of Home Appliance Manufacturers (AHAM), has said that this regulation would cause “higher costs of appliances” and “[does not] add up right now during this time of high inflation.”¹¹ In comments filed in 2020, AHAM communicated concern that, under this rule, “certain low-income consumers would no longer be able to afford to purchase these products upon which they rely to cool their homes.”¹²

Next, the DOE focused on regulating Americans’ dishwashers. This proposed regulation requires that every new dishwasher sold reduce water use to 3.2 gallons per cycle.¹³ The proposed rule on dishwashers reportedly will save Americans \$652 million in utility bills and \$17 annually per household on energy and water costs for a standard-size dishwasher.¹⁴ It would allegedly also reduce emissions by 12.54 million metric tons of carbon dioxide.¹⁵ But, manufacturers of dishwashers have warned of the consequences of the new regulations. They explained that “reducing water and power in dishwashers has become increasingly difficult without impacting performance, reducing how effectively they clean and dry dishes,” which is the entire purpose of buying the appliance.¹⁶

Additionally, the DOE proposed a regulation that would restrict the types of residential clothes washers Americans can purchase. The DOE claims that this new regulation would save 2.53 trillion gallons of water over a 30-year period.¹⁷ It would save consumers somewhere between

⁹ Robert Walton, *New Efficiency Standards for Air Conditioners, Air Purifiers Will Save Consumers Up to \$25B by 2025: DOE*, UTILITY DIVE, (Mar. 27, 2023), <https://www.utilitydive.com/news/doe-efficiency-standards-air-conditioners-purifiers/646016/#:~:text=New%20standards%20for%20air%20conditioners,energy%20savings%2C%20the%20agency%20estimated.>

¹⁰ *Addressing Misinformation on DOE Appliance Standards*, *supra* note 4.

¹¹ Thomas Catenacci, *Biden Admin Cracks Down on Air Conditioners as War on Appliances Continues*, FOX NEWS, (Mar. 24, 2023), <https://www.foxnews.com/politics/biden-admin-cracks-down-air-conditioners-war-appliances-continues>.

¹² Walton, *supra* note 8.

¹³ Andy Kriege, *DoE Proposes New Dishwasher Regulations*, YOUR SOURCE NEWS, (May 12, 2023), <https://yoursourcenews.com/2023/05/doe-proposes-new-dishwasher-regulations/#:~:text=Under%20the%20new%20rules%2C%20dishwashers,3.5%2Dgallon%20Energy%20Star%20S> tandard.

¹⁴ IER, *Biden’s Energy Department Releases New Efficiency Standards For Dishwashers*, INSTITUTE FOR ENERGY RESEARCH, (May 23, 2023), <https://www.instituteforenergyresearch.org/regulation/bidens-energy-department-releases-new-efficiency-standards-for-dishwashers/#:~:text=According%20to%20DOE%2C%20the%20newly,to%20223%20yearly%20kilowatt%20hours>

¹⁵ Energy Conservation Program: Energy Conservation for Dishwashers, 88 Fed. Reg. 32514, (proposed May 19, 2023), (to be codified 10 C.F.R. 430).

¹⁶ IER, *Biden’s Energy Department Releases New Efficiency Standards For Dishwashers*, INSTITUTE FOR ENERGY RESEARCH, (May 23, 2023), <https://www.instituteforenergyresearch.org/regulation/bidens-energy-department-releases-new-efficiency-standards-for-dishwashers/#:~:text=According%20to%20DOE%2C%20the%20newly,to%20223%20yearly%20kilowatt%20hours>

¹⁷ Energy Conservation Program: Energy Conservation Standards for Residential Clothes Washers, 88 Fed. Reg. 13520, (proposed Mar. 3, 2023), (to be codified 10 C.F.R. 430).

\$5.14 billion to \$14.52 billion during that time.¹⁸ This alleged benefit to the environment is an emissions reduction of 53.21 million metric tons of carbon dioxide.¹⁹ Unfortunately, those who manufacture residential washing machines claim that the regulation would “force manufacturers to reduce cleaning performance to ensure their machines comply” and “also make the appliances more expensive.”²⁰ Not only do they argue it will be expensive, but also “each cycle will take longer, the detergent will cost more, and in the end the clothes will be less clean.”²¹

Refrigerators were also the subject of new regulation by the DOE. Effective in March of 2023 the DOE finalized their rule regulating home refrigerators.²² This rule forces manufacturer’s compliance with new energy efficiency standards. This rule, alongside the regulation of residential clothes washers, would allegedly save consumers an estimated \$425 per household on their utility bills over the entire appliances’ lifespan.²³ Also, the two regulations would allegedly reduce carbon dioxide by 233 million metric tons.²⁴ Yet, reportedly, leaders in the home appliance business have heavily criticized the new regulation on refrigerators. They have mentioned that this is the “fifth generation of standards for refrigerators” and that refrigerators “operate at or near peak efficiency.”²⁵ Additionally, this next generation will likely “increase costs to manufacturers and consumers without providing meaningful energy savings.”²⁶

This month, the DOE proposed its latest regulation on home appliances. This proposed rule would require most newly manufactured, common-size electric water heaters to use “heat pump technology” and gas-powered heaters to use “condensing technology.”²⁷ The Department of Energy claims that this proposed rule would “save consumers \$11.4 billion on their energy and water bills each year”²⁸ as well as reduce “harmful carbon dioxide emissions by 501 million metric

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ Steve Warren, *Will Your Dishes Be Clean? Biden’s DOE Issues New Dishwasher Rules in Appliance Crackdown*, CBN, (May 10, 2023), <https://www2.cbn.com/news/us/will-your-dishes-be-clean-bidens-doe-issues-new-dishwasher-rules-appliance-crackdown>.

²¹ *Id.*

²² Energy Conservatism Program: Consumer Refrigeration and Miscellaneous Refrigeration Products; Final Rule, 88 Fed. Reg. 7840, (proposed Feb. 7, 2023), (to be codified 10 C.F.R. 429).

²³ Steve Hanley, *US DOE Ramps Up Efficiency Standards For Appliances, Funds More Efficient Wind Turbine Manufacturing*, CLEAN TECHNICA, (Feb. 12, 2023), <https://cleantechnica.com/2023/02/12/us-doe-ramps-up-efficiency-standards-for-appliances-funds-more-efficient-wind-turbine-manufacturing/#:~:text=Households%20using%20new%20refrigerators%20and,of%20about%2029%20million%20homes>.

²⁴ *Id.*

²⁵ Steven Mufson, *Washing Machines and Fridges Could be Much Cheaper to Power by 2027*, THE WASHINGTON POST, (Feb. 10, 2023), <https://www.washingtonpost.com/climate-solutions/2023/02/10/energy-efficient-washing-machines-refrigerators/>.

²⁶ *Id.*

²⁷ Rachel Frazin, *Biden Administration Proposes Tighter Efficiency Rule for New Home Water Heaters*, THE HILL, (Aug. 21, 2023), <https://thehill.com/policy/energy-environment/4110832-biden-administration-proposes-tighter-efficiency-rule-for-new-home-water-heaters/>.

²⁸ Shera Avi-Yonah, *New Rule Aims to Make Outdated Home Water Heaters Cheaper and Greener*, THE WASHINGTON POST, (July 21, 2023), <https://www.washingtonpost.com/climate-solutions/2023/07/21/water-heaters-energy-efficient-biden/>.

tons over a 30-year period.”²⁹ However, former DOE advisor, Mark Krebs, has claimed that the proposed regulation on water heaters would lead to “higher prices, higher installation fees, and could even create serious corrosion risks in homes.”³⁰

Over the course of this year, the DOE has wielded its power to review efficiency standards and impose restrictive regulations on the types of personal appliances Americans purchase for their homes. Many of the claims the DOE has made about the promised reduction in annual costs and increase in efficiency have been disputed by experts in the industry. The American people deserve transparency regarding these supposed savings and environmental benefits for each of these new regulations in light of the likely cost increases to purchasing these products. Accordingly, for Congress to conduct an independent review, please provide answers to the following questions by August 11, 2023:

1. How do you justify the differences between your claims regarding the proposed rule regulating stoves, and the claims of the experts that disagree with your findings? Please provide all records, calculations, and research to support DOE’s position.³¹
2. How do you justify the differences between your claims regarding the finalized rule regulating air conditioners and window air conditioners, and the claims of the experts that disagree with your findings? Please provide all records, calculations, and research to support DOE’s position.
3. How do you justify the differences between your claims regarding the proposed rule regulating dishwashers, and the claims of the experts that disagree with your findings? Please provide all records, calculations, and research to support DOE’s position.
4. How do you justify the differences between your claims regarding the proposed rule regulating residential clothes washers, and the claims of the experts that disagree with your findings? Please provide all records, calculations, and research to support DOE’s position.
5. How do you justify the differences between your claims regarding the finalized rule regulating refrigerators, and the claims of the experts that disagree with your findings? Please provide all records, calculations, and research to support DOE’s position.

²⁹ *Id.*

³⁰ Thomas Catenacci, *Experts Warn Biden Admin’s Water Heater Crackdown Will Hike Prices, Reduce Consumer Choice*, FOX NEWS, (July 26, 2023), <https://www.foxnews.com/politics/experts-warn-biden-admins-water-heater-crackdown-hike-prices-reduce-consumer-choice>.

³¹ “Records” include any written, recorded, or graphic material of any kind, including letters, memoranda, reports, notes, electronic data (e-mails, email attachments, and any other electronically-created or stored information), calendar entries, inter-office communications, meeting minutes, phone/voice mail or recordings/records of verbal communications, and drafts (whether they resulted in final documents).

6. How do you justify the differences between your claims regarding the proposed rule regulating water heaters, and the claims of the experts that disagree with your findings? Please provide all records, calculations, and research to support DOE's position.

Thank you for your prompt attention to this matter. Should you have any questions, please contact Jace Pimentel at (202) 224-0642.

Sincerely,

A handwritten signature in blue ink that reads "Chuck Grassley". The signature is written in a cursive, flowing style.

Charles E. Grassley
Ranking Member
Committee on the Budget